126 Cannon HOB Washington, DC 20515 May 28, 2003

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW Washington, D.C. 20554

RE: CC Docket No. 02-6.

Dear Secretary Dortch:

We are writing today to urge the Commission to release funds associated with the Commonwealth of Puerto Rico's Department of Education (PRDOE) Schools and Libraries Universal Support Mechanism for funding years 2001 and 2002, with no further delay, and with no additional conditions placed on the Commonwealth that have not been imposed on other school districts. It is essential that the Commission release years 2001 and 2002 funding at its next meeting so that the Commonwealth can continue with the E-Rate program. The E-rate program is a critical element in the Commonwealth's initiative to make the Commonwealth's school system "world class" and to provide the 660,000 school children an education that will enable them to compete in and contribute to the economic future of Puerto Rico.

The PRDOE has provided a presentation to Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) January 15, 2002 detailing PRDOE's response to SDL's requests and concerns. This presentation was followed by personal visits to provide updates on the report on April 26, and September 30, 2002. The reports provided the SLD with: a) detailed information related to computer acquisition; b) numerous lists detailing where the computer equipment has been installed; c) specific and detailed information on teacher training; d) specific and detailed information regarding PRDOE's investments on these projects (to date they exceed the funds provided by USAC); and e) evaluations and reports on significant infrastructure repairs and upgrades.

The PRDOE provided to the Commission through the Office of General Counsel a request for the release of funds on January 30, 2003. This request included all the documents previously provided and requested by USAC and the FCC staff. The documentation was provided in coordination with FCC staff in order to be assured that the Department was responding with all relevant and necessary information so that the staff was in a position to move forward with the release of funds. Since January 30, the Department has responded to additional verbal requests for further information by both the FCC staff and the USAC. All of these

requests have been fulfilled, including resubmission of documents already in the possession of USAC.

In addition, as you maybe aware without a single E-Rate disbursement from USAC, the Governor Calderon has instructed the PRDOE administration to go far beyond addressing USAC's requests. There has been the creation of 103 computer laboratories, 44 fixed and 59 mobile, and an additional 65 new laboratories are in design. The Department has completed training for 27,000 teachers and an additional 4,000 teachers are scheduled for training. There are six technology integration projects currently in the design or implementation stage at a cost to the Commonwealth of \$8.3 million. There are major electrical renovations occurring at 86 schools and additional upgrades are in progress in several schools across the island.

Finally, and most importantly, PRDOE has gone to great lengths to implement and execute managerial and operational integrity standards by adhering to rigid and strict bidding regulations. The PRDOE has worked with USAC to follow their guidance in relation to past mismanagement and abuse related to previous contracts, and is committed to address the issue of adequate controls and supervision. In addition the Commonwealth through the Justice Department and Department of Education is pursuing an investigations of contractors who may have misspent prior funding and you may be assured that the Commonwealth is committed to pursuing the return of funds inappropriately provided to those contractors.

In light of all the above, there can remain no doubt of the staunch, determined and unflagging commitment that this new PRDOE administration has towards ensuring integrity and accountability in delivering these essential services to our students in Puerto Rico. We think that the Commonwealth's students should not be unjustly penalized for the mistakes of the past PRDOE administration, and that the Commission must recognize and support the work and progress of the current Administration in rooting out fraud, waste and abuse from the E-Rate program.

We believe that it is in the public interest for the Commission to act immediately on the release of funds for the school children of Puerto Rico and for the Commission to instruct the staff of the USAC to work in a cooperative and supportive manner with the PR DOE so that Department can continue on a path of responding to the needs of the Commonwealth's school children.

All of the above mentioned documents have been in the possession of the Commission since January 30, 2003, and the Commission's inability to act during the past five months has been contrary to the public's interest. No further actions by the PRDOE are necessary to demonstrate its capacity and commitment to the successful implementation years 2001 and 2002. Now, is the time for the Commission to act in the public interest, and to act immediately as there is not

foundation in regulation, statute, or policy that can justify the continuing delay Puerto Rico's E-Rate program for years 2001 and 2002 funding. We urge you to act favorably at the next Commission meeting.

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Anibal Acevedo-Vilá Resident Commissioner Commonwealth of Puerto Rico